



Maryland Chapter

7338 Baltimore Avenue, Suite 102
College Park, MD 20740-3211

Committee: Environment and Transportation
Testimony on: HB1233 - "Clean Cars Act of 2020"
Position: Support with Amendments
Hearing Date: February 28, 2020

The Maryland Sierra Club strongly urges a favorable report on this bill, with two amendments described below.

The General Assembly must act aggressively to reduce greenhouse gas emissions from the transportation sector, the state's largest source of these emissions. Petroleum-powered vehicles on our roadways account for 70% of these emissions. Electrification of the transportation sector, including reliance on electric vehicles (EVs), is essential in order to substantially reduce Maryland's greenhouse gas emissions.

Accordingly, we support the proposed three-year extension of the excise tax credit for purchase of plug-in EVs (through fiscal year 2023), and the three-year extension of rebates for EV recharging equipment. In this regard, we support the bill's proposal that the total amount designated for excise tax credits during the three-year extension be \$24 million.

Our two proposed amendments are as follows:

- First, we request that the additional three years of tax credits not be paid from the Strategic Energy Investment Fund (SEIF) and, instead, be funded from elsewhere in the budget. SEIF is a critical program in responding to the climate crisis in the electricity sector. As evidenced by passage of the Clean Energy Jobs Act, the state is moving away from fossil-fuel generated electricity to clean (typically, wind and solar) energy. As this occurs, it is important to prioritize support for workers and communities affected by this transition. Consistent with our General Assembly advocacy this year, we strongly request that the General Assembly's primary work on SEIF be focused on establishing a fossil fuel workforce and community transition account, funded by SEIF, to support workers and communities facing the closure of fossil fuel power generators.
- Second, the tax credit for hydrogen fuel cell vehicles should be eliminated, which was our position on this issue in the 2019 legislative session. Plug-in EVs are and always will be cheaper, cleaner, and safer; giving tax credits for fuel cell cars takes needed money away from plug-in EVs.

For these reasons, we urge a favorable report with amendments.

Lindsey Mendelson, Transportation Lead
Lindsely.Mendelson@mdsierra.org

Josh Tulkin, Chapter Director
Josh.Tulkin@mdsierra.org

Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 70,000 members and supporters, and the Sierra Club nationwide has approximately 800,000 members.